VZCZCXRO7158 OO RUEHLMC DE RUEHEK #0382/01 1131120 ZNY CCCCC ZZH O 231120Z APR 09 FM AMEMBASSY BISHKEK TO RUEHC/SECSTATE WASHDC IMMEDIATE 2110 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUCNCIS/CIS COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 3043 RHEFDIA/DIA WASHDC RUEKJCS/OSD WASHDC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC RUEHGV/USMISSION GENEVA 1338 RUEHVEN/USMISSION USOSCE 3384 RUCNDT/USMISSION USUN NEW YORK 2770 RUEHNO/USMISSION USNATO BRUSSELS BE RUEHBS/USEU BRUSSELS RUEHLMC/MILLENNIUM CHALLENGE CORP RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL

#### C O N F I D E N T I A L SECTION 01 OF 04 BISHKEK 000382

SIPDIS

DEPT FOR SCA/CEN

E.O. 12958: DECL: 04/23/2019 TAGS: <u>PGOV PREL EAID KG</u>

SUBJECT: AMBASSADOR HOSTS INFORMAL MEETING BETWEEN KYRGYZ FOREIGN MINISTER AND USAID COUNTRY REPRESENTATIVE

REF: A. BISHKEK 237

\_B. BISHKEK 246

\_C. BISHKEK 267

Classified By: Ambassador Tatiana C. Gfoeller, Reasons 1.4 (b) and (d).

- 11. (C) Summary: On April 15, the Ambassador hosted an informal meeting at her residence between Foreign Minister Sarbayev and the Country Representative for USAID. to previous meetings with the heads of the National Democratic Institute (NDI), the International Republican Institute (IRI), and the Millennium Challenge Account Threshold Program (MCATP), the meeting was generally cordial and lasted over an hour. USAID's Country Representative presented an overview of USAID activities in Kyrgyzstan over the past 16 years. The Foreign Minister came prepared for the meeting, bringing a recent press release on the donation of generators to hospitals in Batken as well as USAID's Fact Sheet on current activities in Kyrgyzstan. The Foreign Minister suggested several times that USAID host roundtable discussions on a variety of topics. This was the fourth in a series of informal meetings that the Ambassador is organizing to brief Sarbayev on U.S. assistance programming in Kyrgyzstan. End Summary.
- 12. (C) On April 15, the Ambassador hosted Foreign Minister Kadyrbek Sarbayev and the Country Representative for USAID in Kyrgyzstan Pat Shapiro (Deputy Country Representative Andrew Segars also attended) for an informal discussion over tea at her residence. This was the fourth in a series of individual, informal meetings that the Ambassador had proposed to brief Sarbayev on U.S. assistance programming, in order to counter Sarbayev's earlier allegation that U.S. programming to support civil society was biased against President Bakiyev and the government. Sarbayev met with the NDI Country Representative on March 11 (Ref A), the IRI Country Representative on March 18 (Ref B), and the Coordinator for the Millennium Challenge Account Threshold Program (MCATP) on March 25 (Ref C). Sarbayev agreed to continue the series of informal meetings, with future topics to include military-to-military cooperation and exchange programs.

¶3. (C) The meeting was cordial, but the Foreign Minister asked many pointed questions about the nature and outcome of USAID assistance. The meeting began with Shapiro providing an overview of USAID programming in Kyrgyzstan over the past 16 years. The Foreign Minister listened attentively, even pulling out a recent press release regarding the donation of eight generators to hospitals in the southern Batken oblast, saying that he was aware of the work that USAID is doing. Later, when the conversation turned to specific projects, Sarbayev pulled out a copy of USAID's Fact Sheet on current activities in Kyrgyzstan. Shapiro explained in some detail about USAID projects dealing with food security, land reform, winter assistance, agro-business, microfinance, and other programs.

## Oil, Water, and the Uzbeks

14. (C) Initially covering USAID's Economic Growth portfolio, the discussion shifted focus when the Foreign Minister jumped in to ask if USAID was working in Uzbekistan, claiming that much needed to be done there -- especially with regard to water issues. Sarbayev complained that the Uzbeks "always want more water for their cotton crops." We "give" them water, Sarbayev explained, but they do not pay for it, claiming that "water is from God" (i.e., it is their right). Sarbayev wondered aloud, with obvious sarcasm, where oil

BISHKEK 00000382 002 OF 004

comes from. The Foreign Minister continued, explaining that because of problems with Uzbekistan, there had been no heat or electricity in Kyrgyz schools this winter. What is really needed, he said, was a focus on hydroelectric power stations. Sarbayev noted there were many views on this topic, but Kyrgyzstan needed to be more pragmatic.

# Pointed Questions Continue

- 15. (C) Discussion moved to other areas of technical assistance provided by USAID, with specific questions from Sarbayev as to which ministries USAID works with, what services USAID renders, and how much funding USAID provides. Shapiro gave examples of working together with government counterparts on issues such as energy, fiscal decentralization, and the recent development of a winter crisis plan. The Foreign Minister pointedly asked what progress had been made as the result of USAID technical assistance, particularly expert consultations, and whether USAID monitored its projects. Shapiro explained that not all USAID-sponsored technical advice is followed; the Foreign Minister then inquired why USAID continued support if the government did not follow the advice it is given.
- 16. (C) Shapiro followed up with general information regarding indicators and results, but the Foreign Minister said he wanted specific examples. Pointing to USAID's 15th Anniversary brochure, Shapiro explained that many successes were enumerated there, noting the specific example that cases of tuberculosis were reduced by 24% through health sector technical assistance provided by USAID. Sarbayev asked if this result was country-wide and then changed focus.

#### Criticism of Indicators

17. (C) Sarbayev then referenced his meeting with the MCATP Coordinator, during which they discussed the question of indicators. Sarbayev repeated his criticism that these indicators are compiled by people who do not know Kyrgyzstan and by organizations that never come to Kyrgyzstan. Shapiro responded that indicators are never 100% accurate, but they are the best measure we have. For MCC, for example, USAID

gave judges indicator information and explained how to improve scores. Another example was the World Bank's "Doing Business" indicator, for which Kyrgyzstan had significantly improved its ranking with the help of a USAID project.

### Let's Discuss Democracy

18. (C) Sarbayev then turned to democracy programming, noting that he had met previously with NDI and IRI representatives. The Foreign Minister said that NDI was very critical of the government here, and NDI's Country Representative had characterized the state of democracy as better in the late 1990s. Sarbayev claimed that he had asked for specific numbers, indictors, or arguments, but that the NDI rep could offer no argument as to how democracy had worsened. The Foreign Minister wondered aloud how NDI could claim that the state of democracy in Kyrgyzstan was worse now if NDI had been engaged in democracy development throughout this period.

### Kyrgyz Politics since Independence

19. (C) Shapiro asked if the Foreign Minister thought that the state of democracy was better now, to which Sarbayev went into a lengthy discourse on Kyrgyzstan's political history since independence. The Foreign Minister said that immediately after independence, when other countries

BISHKEK 00000382 003 OF 004

- (Kazakhstan, Turkmenistan, and Uzbekistan) focused on economic development, Kyrgyzstan had focused on democratic development. However, Kyrgyzstan lost its way under former President Akayev, who had even changed the Constitution so that he could run for a third term -- and this was not a "bright period" in Kyrgyzstan's history.
- 110. (C) In 2005, Sarbayev continued, Kyrgyzstan had a revolution and installed a new government, in the wake of many demonstrations and a lot of criminal activity. President Bakiyev then tried to work with the Parliament he had inherited, but it was not a functioning Parliament -- it did not pass laws and most Parliamentarians were corrupt. Sarbayev noted with some bitterness that this was the Parliament NDI claimed was easier to work with. Bakiyev had followed the Constitution and called for Parliamentary elections, and now the Parliament works, the Foreign Minister claimed.

# Genuine Misperception or Party Line?

111. (C) Moving to the topic of political party work, Sarbayev repeated the claim that NDI and IRI only work with opposition parties. Segars responded that all parties, including Ak Jol (the pro-Presidential party), are invited to training. Many times, however, Ak Jol has decided not to participate. (Comment: NDI and IRI have told us that Ak Jol representatives openly attend some training, but also often attend anonymously, saying that they have been told not to work with international agencies. End comment.)

Work More Closely with the Government, Please

112. (C) Sarbayev repeatedly said that USAID needs to interact more and explain better to the government what it is doing. Work with civil society is important, he said, but USAID needs to work more with GOKG entities and individuals through its programs. Sarbayev stated that he and his staff are often at a loss when talking to civil society leaders, who have been abroad and have received training on various topics related to democracy. Sarbayev suggested that the USG help train his staff in understanding democracy. He also said that his staff at MFA would benefit from training in how to

deal with conflict situations.

113. (C) Shapiro mentioned several examples of close collaboration with the government, highlighting specifically the Local Government and Decentralization Program. Sarbayev responded that Kyrgyzstan already had decentralized and that it was not advisable to decentralize further to the village level. Sarbayev said that at the village level, officials were not used to having budgets and did not know how the system works.

#### Double Standards

114. (C) Sarbayev ended by questioning why there was not more American investment in Kyrgyzstan. The issue of corruption is always raised, he noted, but there is a double standard, since the U.S. invests in places like Turkmenistan, China, and Uzbekistan, which he claimed are more corrupt. He concluded that Kyrgyzstan needs to be pragmatic: if investment from the U.S. will not come, then the country should not waste its time asking for it.

#### Comment

115. (C) Comment: Sarbayev remains open to dialogue and the Ambassador offered to host further meetings to discuss

BISHKEK 00000382 004 OF 004

military-to-military assistance, exchanges, and other programming. While willing to listen, the Foreign Minister did ask some pointed questions and seemed to be laying out a firm government line on USAID assistance, at least concerning democracy programming. He repeatedly raised the issue of USAID working only with the opposition -- something that we will continue arguing is simply not the case.

GFOELLER